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INSURANCE DEPARTMENT PRESS RELEASE

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NEWS RELEASE

September 23, 2002 Concord, NH – The State of New Hampshire Insurance Department is warning consumers of an apparent telephone solicitation scam purporting to sell discount healthcare benefits. It appears that Global Discount Healthcare Benefits telephone solicitors offer what people believe is access to group health insurance policies on a 30 day trial basis. The telephone solicitors state that the benefits may be cancelled by the consumer if the consumer telephones the company within the 30 day trial period. Consumers must provide bank account numbers to participate in the 30 day trial period. If the purchaser fails to cancel within the 30 day period, payments, sometimes in the hundreds of dollars, are automatically withdrawn from the purchaser's bank account.

Similar scams in other states have demonstrated that even when consumers call to cancel within the 30 day period, the automatic bank account withdrawals occur, or the telephone number provided for cancellation is not valid.

New Hampshire Insurance Commissioner Paula Rogers states that "NH consumers should be particularly careful not to disclose bank account, social security and other identifiers to unknown persons, especially when they are solicited over the telephone." Because these discount healthcare and dental "plans" are not insurance products, the Insurance Department has no jurisdiction to assist consumers who are injured by these companies. "These plans are purporting to provide medical or dental care at a discounted price with participating doctors and dentists. Unfortunately, because they are not insurance they are not required to be licensed or regulated by the NH Insurance Department. We have become aware that some of the plans are in fact scams, designed to obtain bank account numbers from which funds of unsuspecting consumers can be withdrawn," said Commissioner Rogers. Commissioner Rogers went on to say "Senior citizens are particularly vulnerable to these scams. We urge all seniors to use caution when receiving telephone solicitations to purchase what may appear to be insurance products."

Additional information on senior and other consumer issues may be obtained from the NH Insurance Department by calling, toll free, 1-800-852-3416, by accessing the Department's web site at www.state.nh.us/insurance/consumer, or by writing the NH Insurance Department at 56 Old Suncook Rd., Concord, NH 03301.

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